

17 APR 1958

INSPECTOR GENERAL'S SURVEY
OF THE OFFICE OF THE
DEPUTY DIRECTOR (INTELLIGENCE)

Table of Contents

	<u>Page</u>
I. PURPOSE AND SCOPE	1
II. DISCUSSION	2
A. The DD/I Area	2
1. History	2
2. Mission and Basic Organization	6
B. The Position of the DD/I	10
C. Office of the DD/I	14
1. DD/I Staff Assistants	14
a. NSC and National Estimates	14
(1) Responsibilities	14
(2) The NSC Planning Board	14
(3) Special Assistant to DCI for NSC Affairs	16
b. Administration	18
(1) General	18
(2) Personnel	19
(3) Budget and Finance	23
(4) Other Activities	24
c. Planning	26
d. Field Coordination	30
(1) Responsibilities	30
(2) The Overseas Program	31

	<u>Page</u>
(3) General Comments	34
2. Senior Research Staff on International Communism..	45
3. Intelligence Support	56
4. Historical Intelligence Collection	58
5. Building Liaison Officer	60
6. Executive Assistant	63

I. PURPOSE AND SCOPE

A. The purpose of this survey is to review and appraise the mission, functions, and place in the Agency's organizational scheme of the immediate office of the Deputy Director Intelligence (DD/I) and to examine and evaluate the degree of effectiveness with which this office accomplishes its assigned tasks.

B. The scope of this survey is primarily concerned with matters affecting the DD/I and his immediate staff. It does not attempt to evaluate the activities or accomplishments of the component offices.

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c. Almost at the start of CIG the foundations were laid for what later became the Office of Collection and Dissemination, more recently the Office of Central Reference. As its original name implied, this unit was initially established as the primary liaison point with the other intelligence agencies and other departments of the government to collect from them the official documents and messages that were required by CIG. Among OCD's original functions was that of acting as the focal and control point for all CIG liaison with other agencies. This function passed out of existence at the time that the Deputyships were created and the Agency became, in effect, three autonomous units. In addition to this mission of collecting from other government agencies, OCD established the CIA library and commenced the creation of the Registries, starting with the Biographic--in conjunction with State--and following with the Graphic, Industrial and Special. In the early days OCD also had the [redacted]

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d. The third intelligence office created was the Office of Research and Estimates. This rapidly became one of the largest offices in the organization with a sweeping charter which gave it the authority to engage in research on every area of the world in nearly every field--political, economic and military. It also wrote estimates, handled scientific intelligence, geographic information, and engaged in coordination. Its range ran all the way from the production of the National Intelligence Surveys to basic research to current intelligence to national estimates.

e. The fourth intelligence office created was the Office of Scientific Intelligence, which was set up in 1948 primarily as a result of the study made of the defense agencies, including CIA, by the Eberstadt Task Force of the first Hoover Commission. Noting the lack of emphasis on scientific and technical intelligence--CIA's work being confined to one division in ORE--the Task Force, following the insistent urgings of Dr. Vannevar Bush, urged strengthening the scientific effort. This resulted in the establishment of OSI.

f. In 1950 a major reorganization of intelligence production of CIA resulted in the breaking up of ORE, and a complete re-examination of the missions and functions in which it had been engaged. First and foremost, the estimating function was broken out and placed in a small office by itself, thus creating the Office of National Estimates. The same formula was applied to current intelligence, with the creation of the Office of Current Intelligence. Finally, research was concentrated in one office, the Office of Research and Reports, and an exchange of communications with the Department of State delineated the research responsibilities of the respective agencies. Under this agreement ORR was to continue to be responsible for the coordination of the NIS Program (basic intelligence) and for geographic intelligence. In addition, it was to have responsibility within the intelligence community for research on the Soviet economy, including China, and for research on certain basic industries and commodities of a strategic nature.

g. In the meantime the general organization of the CIA was changing. Prior to 1950 there had been seven offices, each headed by an Assistant Director reporting directly to the Director of the Agency.

During the period of rapid growth of CIA at the time of the Korean War, and the creation of three offices in the place of one in the intelligence production and research area, the span of command of the DCI had broadened to a considerable extent. As a consequence, a Deputy Director for Plans was created to oversee the activities of what was then the Office of Special Operations and the Office of Policy Coordination. Secondly, a Deputy Director of Administration (now DD/S) was brought in to oversee the general administration of the Agency, and to ultimately take under his command the so-called support offices. Then, in 1952, the third deputyship was created, that of the Deputy Director for Intelligence, to oversee the activities of ONE, OCI, OSI, ORR, OCD (now OCR), and [].

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h. Two new components were created in 1955. Primarily as the result of general dissatisfaction in the intelligence community on the handling of material on international Communism, and directly as a result of a proposal of the Special Assistant to the Director for Planning and Coordination, a Senior Research Staff on International Communism was created as an immediate adjunct of the Office of the DD/I. The present composition of the DD/I command was completed in 1955 when the component responsible for the production of the National Intelligence Survey was broken away from ORR and given an independent status as the Office of Basic Intelligence. This was one of the recommendations made that year by the Clark Task Force of the Hoover Commission.

i. Thus the present composition of the DD/I area is almost exclusively units dealing with intelligence production and analysis. The only exceptions are the []

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(1) Office of Central Reference (OCR)

Charged with providing a central referencing facility for all components of the Agency; also for maintaining a central service for the coordination of intelligence requirements, the servicing of collection requests, and the dissemination of intelligence materials.

(2) Office of Research and Reports (ORR)

Responsible for the production of economic intelligence on the Sino-Soviet Bloc and geographic intelligence on all areas outside the United States, and for coordinating intelligence in these fields among the Federal departments and agencies.

(3) Office of National Estimates (ONE)

Charged with the production of National Intelligence Estimates for issuance by the Director of Central Intelligence.

(4) Office of Current Intelligence (OCI)

Responsible for the production and dissemination of all-source current intelligence, and for providing current intelligence support to the DCI and components of CIA and other agencies as directed.

(5) Office of Scientific Intelligence (OSI)

Charged with establishing and maintaining the Agency scientific and technical intelligence research and production program, producing intelligence resulting therefrom, and advising the DCI and other Agency officers and components on scientific and intelligence matters.

(6) Office of Operations (OO)

Responsible for the direct collection of intelligence information from selected overt non-governmental sources, including the conduct, as a service of common concern, of all Federal monitoring of foreign radio propaganda and press broadcasts for the collection of intelligence information, and the exploitation of foreign language publications.

(7) Office of Basic Intelligence (OBI)

Charged with implementation of the responsibilities of the DCI for basic intelligence under the provisions of National Security Council Intelligence Directive (NSCID) Number 3.

c. Organization of the DD/I

(1) The basic organization of O/DDI consists of the DD/I himself, an Executive Assistant, and four principal staff assistants responsible for:

- (a) NSC and National Estimates
- (b) Administration
- (c) Planning
- (d) Field Coordination

(2) In addition, there are four further activities which report directly to the DD/I, as follows:

(a) Adviser on CIA Historical Intelligence Collection (HIC)--a special collection of books, documents, and related materials having to do with all aspects of intelligence operations and doctrine in the past. (Now transferred to OCR.)

(b) Intelligence Support--Responsible for screening all available intelligence for the purpose of keeping the DCI, DDCI, and DD/I cognizant of critical situations and important trends.

(c) Senior Research Staff on International Communism (SRS)--a group studying and conducting operational research on international Communism.

(d) Building Liaison Officer--an officer charged with coordinating the requirements of the various components of the DD/I as related to the new building.



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B. The Position of the DD/I

1. Like the history of the DD/I area, the position of the DD/I has also evolved with the development of the Agency. The Deputy Director/Intelligence now has the following responsibilities: (1) he has command over seven offices and one staff, plus representatives abroad; (2) he is the CIA advisor to the National Security Council Planning Board; (3) he is the principal intelligence advisor to the DCI; (4) he provides intelligence support and guidance, both directly

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25X1C8A [redacted]; (6) outside of the Agency he seconds for and backstops the DCI as the CIA spokesman on substantive intelligence matters; (7) he is head of the DD/I Career Services.

2. Command

a. The DD/I exercises command over his area by general policy guidance and periodic review. He does not attempt to participate in the day-to-day activities of the eight components and allows considerable freedom of action to the Assistant Directors. This method of management appears to be functioning reasonably well. That is not to say that there aren't management problems in the DD/I area, because there are some that could be dealt with by the direct intervention of the DD/I.

b. Perhaps the most apt description of the management pattern applicable to the DD/I area is given in the Harvard Business Review for March-April 1958 (Vol. 36, No. 2) in an article, "How to Choose a Leadership Pattern," by Tannenbaum and Schmidt on page 99:

"Generally speaking, the manager can permit his subordinates greater freedom if the following essential conditions exist:

"If the subordinates have relatively high needs for independence.

"If the subordinates have a readiness to assume responsibility for decision making.

"If they have a relatively high tolerance for ambiguity.

"If they are interested in the problem and feel that it is important.

"If they understand and identify with the goals of the organization.

"If they have the necessary knowledge and experience to deal with the problem.

"If they have learned to expect to share in decision making."

c. Nearly all of the above conditions exist in the DD/I area. However, even though it may be advisable to grant freedom to subordinates, it is also a basic--and very sound--principle of good management that the senior supervisor should participate more actively in the guidance of a subordinate component when problems exist that are not being promptly and effectively solved at the lower echelon. Two illustrations exist of where more active DD/I participation would be advisable today. First, the two research offices--ORR and OSI--have basic management problems that need solution. Second, the very extensive DD/I representation on IAC subcommittees and working groups needs more effective

monitoring. In certain instances CIA has been guilty of the practice of placing representatives on IAC committees who do not have sufficient stature--a practice which CIA is quick to criticize if followed by other agencies. The designation of the DD/I as Chairman of the Critical Collection Committee, however, is a step in the right direction. This latter is particularly important--although it could conceivably be exercised by the DD/C--in view of the occasional failure of subordinates to bring inter-agency problems to the proper level for adjudication.

3. Advisor to NSC

(See section C.l.a.)

4. Principal Intelligence Advisor to DCI

As the head of the intelligence production and analysis area, the DD/I is logically the principal intelligence advisor to the DCI on matters of substance. In this capacity he has delegated two important aspects to Assistant Directors: that concerning National Estimates to the AD/NE, and that concerning current intelligence to the AD/CI. Similarly, the DD/I encourages direct relations by the other Assistant Directors with the DCI on matters of substance. However, the DD/I keeps himself generally currently informed on these matters.

5. Intelligence Support to the DD/P

While in general the intelligence support and guidance of the DD/P area is handled at the working level, the ultimate responsibility for seeing that it is effective rests with the DD/I. One of the advantages of the Clandestine Services and the intelligence production units being in the same over-all organization is the opportunity afforded for close support. We feel that the DD/I area could profit by closer cooperation

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7. Spokesman on Substantive Matters

The position of the DD/I is overt and consequently affords the Agency another public spokesman in addition to the DCI and DDCI. During recent months the DD/I addressed Army, Navy and National War Colleges, Armed Forces Staff College, etc., within the government and such non-government organizations as the "Association of Reserve City Bankers," "Ohio State University National Security Policy Seminar," "Howard University Defense Studies Program" and the "Council on Foreign Relations." These talks assist in the public relations of the Agency, as well as assisting the cover of the Clandestine Services by focusing attention on the overt side of the organization.

8. From the above, as well as from the details of the DD/I's immediate office which follow, it is readily apparent that the responsibilities of this office are more than enough for one man. While as an expedient the practice of having an Assistant Director with responsibilities for running an office also designated as Assistant DD/I may be effective, it is not a sound management principle on a long-term basis. It is acknowledged that the DD/I area is generally running well, but its problems are the least complicated of the three major components of the Agency. Further, it is obvious that not only would the DD/I area be materially improved, but DD/I responsibilities and representation on IAC committees would be more effective if there were a full-time Assistant DD/I. It is

Recommended that:

C. Office of the DD/I

1. DD/I Staff Assistants

a. Assistant for NSC

(1) Responsibilities

(a) The DD/I has as one of his major responsibilities the representation of the Agency on the NSC Planning Board. To support him in this activity, he has established on his staff the position of Assistant for NSC who in turn is provided with an assistant and a secretary. This position is required by a provision of the "Structure and Functions of the NSC" which states that members and advisers will have an alternate known as Board Assistant and other assistants as the size and demands of his agency require.

(b) The Board Assistants assist the Planning Board in the drafting of papers and meet as required under the chairmanship of the Director of the NSC Secretariat. They also attend Planning Board meetings.

(c) As a part of his function as Board Assistant and in support of the DD/I, the Assistant for NSC maintains close contact with ONE to give guidance in the scope of NIE's prepared to meet NSC needs. He maintains direct liaison with the Joint Intelligence Committee. He also conducts a close relationship with the Director's Staff Officer for OCB matters, coordinates intelligence aspects of OCB papers, and is the focal point for Agency liaison with the NSC Secretariat.

(2) The NSC Planning Board

(a) The Planning Board is described in the "Structure and Functions of the NSC" as the principal policy formulating body of

the Council. It is assigned two principal functions; (1) to anticipate and identify problems and situations affecting the security objectives, commitments and risks of the United States, and initiate action to provide the required analyses and draft policy statements for the consideration of the Council, and (2) to facilitate the formulation of policies during the process of drafting policy recommendations by marshalling the resources of the respective departments and agencies.

(b) Officials participating in Planning Board functions are established in three categories: Members, Advisers, and Observers. Members include the Special Assistant to the President for National Security Affairs as Chairman, and representatives of the Departments of State, Defense, and Treasury, the Office of Defense Mobilization and the Bureau of Budget. Advisers include representatives of the Office of the Joint Chiefs of Staff and CIA, and the Special Assistant to the President for Security Operations Coordination. Observers are designated for several specified agencies and the Chairman is authorized to invite others in accordance with the agenda to be taken up at any particular meeting. The Board is supported by a staff consisting of the Executive Secretary, NSC, his Deputy, and the Director, NSC Secretariat.

(c) The Agency is permitted to submit through its Adviser any ideas for policy formulation by the Planning Board and for subsequent consideration by the Council. In keeping with the DCI's concept of non-participation in national policy making, the DD/I has avoided using this means of initiating policy and has scrupulously maintained his position as Adviser. This is not to infer that the

Agency does not exert influence over national security policy. The Board in its consideration of policy matters relies heavily on National Estimates and upon the advice of the DD/I based on all sources of intelligence. This process is repeated in NSC deliberations where the DCI sits in a similar position on a higher level as Adviser to the Council. Undoubtedly, national security policy is influenced by Agency representation on the Planning Board and may even on occasion be the direct result of advice provided by the DD/I. It can be said, however, that the Agency does not deliberately generate national security policy through this mechanism.

(3) The Position of "Special Assistant to the Director of CIA for NSC Affairs"

(a) The "Structure and Functions of the NSC" is described in a memo by the NSC Executive Secretary, dated 3 July 1957, as a revision of a previously issued basic memorandum to serve as a guide for those officially concerned with the operations of the Council. It was approved for circulation by the President and is generally accepted as the by-laws and ground rules for the operations of the NSC, the Planning Board and the OCB.

(b) In providing for the membership of the Planning Board, it stipulates that CIA will be represented by an Adviser who is nominated by the head of the Agency and appointed by the President with the title of "Special Assistant to the Director of CIA for NSC Affairs." It also requires that the Adviser have direct access to and personal confidence of the head of the Agency and have the authority to utilize its resources to perform his Board function. The position of the DD/I meets these qualifications fully.

(c) There is a further stipulation, however, that should be examined more closely. It states "the Adviser has as his principal responsibility, which overrides all other duties and with which no other duty can interfere, his work with the Board, including preparation for and attendance at meetings; yet at the same time continues to be sufficiently in the stream of activity of his department or Agency so as to be capable of representing its views." The requirement is fundamentally unrealistic and within the present organizational structure of the Agency there is no existing position that can meet its terms. The creation of a new position for this purpose is unwarranted and probably could not be better designed than that of the DD/I.

(d) The DD/I meets most of the provisions. He does not permit other duties to interfere with his work on the Board and he attends meetings faithfully. He certainly is in the stream of activity of the Agency and is capable of representing its views. In fact, his representation of the Agency on the NSC Planning Board is most effective. But it is not his principal responsibility which overrides all other duties. His principal responsibility is the direction of the seven offices under his jurisdiction and he has many other duties equally demanding of his time. In this respect, the assignment of Adviser to the Planning Board is inappropriate to the DD/I. (See Section 3 for further discussion of the position of the DD/I.)

(e) There is one other provision of the "Structure and Functions of the NSC" that warrants comment. It is expressed as a principle that Members and Advisers should serve for not less than two years and should be changed periodically in order to bring fresh points of view into Planning Board deliberations. The principle is sound and

should be observed if possible. The DD/I has represented the Agency continuously for about five years. During this period, he has made periodic changes in his Board Assistants drawing on the higher levels of ONE for the purpose. While this has served to inject "new blood" into the function it does not fully accomplish the purpose expressed in the principle. To change the assignment of Adviser periodically would be desirable but difficult to accomplish since, as stated above, the DD/I is the only one qualified by the nature of his position to meet all the requirements.

(4) In summary, the DD/I provides excellent representation for the Agency on the NSC Planning Board. His Assistant for NSC affairs functions competently and effectively and there are no major problems requiring consideration or treatment at this time.

b. Administration

(1) General

The Office of the Assistant for Administration is located in the immediate Office of the DD/I, and consists of the Assistant, his deputy and a secretary. This Office is responsible for coordination of the administrative support requirements of the several DD/I offices, to include personnel and budgetary matters in their broadest application, and other activities of both a regular and ad hoc nature which will be dealt with in detail in subsequent paragraphs. In short, the Assistant for Administration handles all DD/I matters of an administrative nature. He enjoys an extremely close working relationship and a high degree of mutual understanding with the DD/I, by virtue of which he is in a position to speak and act authoritatively, thereby reducing to a bare minimum the need for personal

supervision and review of his activities by the DD/I. In the performance of his principal mission the Assistant for Administration coordinates administrative support requirements of the individual administrative staffs which serve each DD/I component. These staffs vary in size depending upon the personnel strength of the component they serve and the complexity of the problems encountered. Basically, they are self-sufficient units which function within the limits of DD/I administrative policy as determined by the Assistant for Administration and set forth in DD/I Notices and Memoranda.

(2) Personnel

The handling of personnel matters, including such associated activities as Career Service, Training, and Management, occupies roughly 50 per cent of the time of the Assistant for Administration. It is his responsibility, for example, to:

(a) Review and approve all changes in organization structure within the components whether brought about by realignment of basic functions of the component or promotion requests requiring T/O adjustment. The Assistant for Administration has a significant responsibility in this area to insure that the grade structures of the several components are carefully equated to the work performed and show a minimum of disparity within a given component and among all components. Individual grade changes within existing T/O's normally are handled directly between the component and the Office of Personnel; however, all promotions in the higher grades, as well as promotion actions which are protested, are of direct concern to the Assistant for Administration.

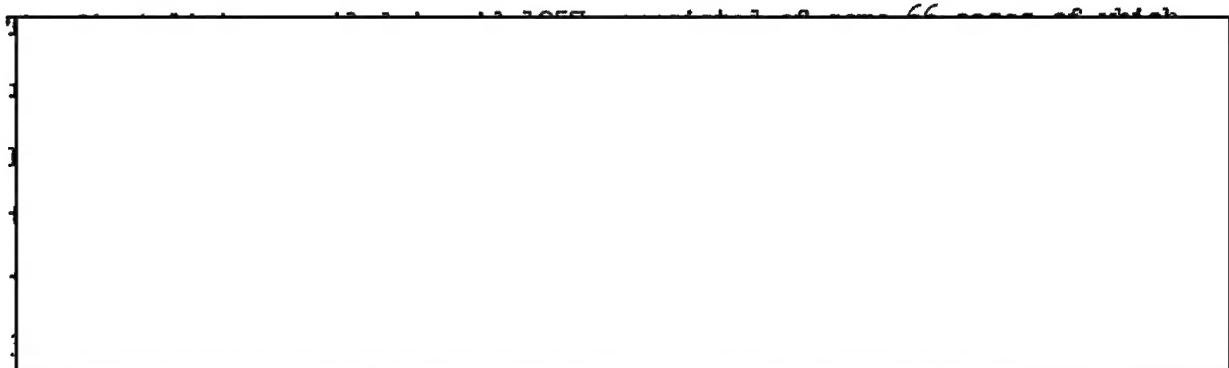
(b) Insure the continued use and effectiveness of the Vacancy Notice Procedure in all offices. This procedure was adopted by the Assistant for Administration to make possible individual transfers within DD/I which would open a greater opportunity for qualified but "slot-bound" employees in certain areas. The procedure, by which each component notifies each other component of its existing vacancies in Grade GS-7 and above on a monthly basis, met with immediate approbation and success and during the period of its usage has made a striking contribution to DD/I morale and efficiency. Present records indicate that approximately 20 per cent of the "advertized" vacancies are filled by personnel from outside the advertising component. Following the success of this procedure within DD/I, vacancy lists were made available to DD/P and DD/S in the hope that a regular exchange among the major Agency divisions might be initiated. At the present time, the Assistant for Administration expects to be notified in the near future of certain vacancies in DD/S; however, little enthusiasm for the exchange of this information has been exhibited by DD/P. While some reluctance on the part of DD/P to publicize the nature of many Clandestine Services positions is understandable, there still should remain a considerable area which could be opened to the vacancy notice procedure with ultimate benefit to DD/P and to the Agency as a whole.

(c) Monitor incoming employee assignments, and, with regard to clericals, to see that placements are made in conformity with relative priorities of the various offices. Review separation cases. Give personal attention to the handling of problems involving senior personnel.

(d) Administer the DD/I program designed to weed out substandard and marginal personnel. In the fall of 1956, the Assistant for Administration initiated this program by calling upon the seven Assistant Directors to prepare lists of the following categories of employees:

1. Those who were obviously substandard or unsatisfactory.
2. Marginal employees, whose services could well be spared without impairing the effectiveness of the office concerned, and
3. Those ready for retirement who could be urged to disassociate themselves, whether their performance had proven good or bad.

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Inspector General. Present indications are that budgetary considerations will dictate an intensification of this program in the future. The Assistant for Administration is well aware of this situation and is prepared to initiate what action is required to meet circumstances as they arise.

(e) Prepare management-type studies on personnel strengths and functions in the seven DD/I components with a view to

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